TITLE 326 AIR POLLUTION CONTROL BOARD

FIRST NOTICE OF COMMENT PERIOD

LSA Document #09-489

DEVELOPMENT OF AMENDMENTS TO RULES CONCERNING VOLATILE ORGANIC COMPOUND (VOC) EMISSIONS FROM REINFORCED PLASTIC COMPOSITES PRODUCTION FACILITIES AND BOAT MANUFACTURERS

PURPOSE OF NOTICE

The Indiana Department of Environmental Management (IDEM) is soliciting public comment on amendments to rules at <u>326 IAC 8-1-6</u> concerning VOC emissions from existing reinforced plastics composites production facilities and boat manufacturing facilities. IDEM seeks comment on the affected citations listed and any other provisions of Title 326 that may be affected by this rulemaking.

CITATIONS AFFECTED: 326 IAC 8-1; 326 IAC 20-48; 326 IAC 20-56.

AUTHORITY: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11.

SUBJECT MATTER AND BASIC PURPOSE OF RULEMAKING Basic Purpose and Background

Most new facilities not regulated by a provision of <u>326 IAC 8</u> and that have potential emissions of 25 tons or more per year of VOC are required to reduce VOC emissions using best available control technology (BACT). Establishing BACT for purposes of <u>326 IAC 8-1-6</u> is a case-by-case determination based on the maximum reduction in emissions that is technically feasible, while taking into account energy, environmental, and economic impacts.

Styrene is classified as both a hazardous air pollutant (HAP) and a VOC. It is the predominant regulated air pollutant from sources subject to 326 IAC 20-48, which incorporated by reference 40 CFR Part 63, Subpart VVVV (Boat Manufacturing), and 326 IAC 20-56, which incorporated by reference 40 CFR Part 63, Subpart WWWW (Reinforced Plastics Composites Production).

In June 2006, amendments to 326 IAC 8-1-6 became effective. These amendments exempted new sources subject to 326 IAC 20-48 or 326 IAC 20-56 from the requirement to reduce emissions by using BACT under 326 IAC 8-1-6. In this rulemaking, IDEM is considering an amendment to allow existing facilities that do not have a 326 IAC 8-1-6 BACT determination but that are regulated by either 326 IAC 20-48 or 326 IAC 20-56 to be exempt from the BACT requirements of 326 IAC 8-1-6. The amendment would affect facilities that existed prior to January 1, 1980, or that have potential emissions of VOC less than 25 tons per year, including those facilities that have opted to take synthetic minor limits to stay below the 25 tons per year threshold. These facilities will not be subject to 326 IAC 8-1-6 but will be subject to the same requirements as new facilities that are also regulated by 326 IAC 20-48 or 326 IAC 20-56.

Alternatives to Be Considered Within the Rulemaking

Alternative 1. Allow existing facilities that do not have a BACT determination under <u>326 IAC 8-1-6</u> and that are regulated by either <u>326 IAC 20-48</u> or <u>326 IAC 20-56</u>, as applicable, to be exempt from the requirement to complete a BACT determination.

- Is this alternative an incorporation of federal standards, either by reference or full text incorporation? No.
- Is this alternative imposed by federal law or is there a comparable federal law? No; however, existing facilities that are subject to 326 IAC 20-48 or 326 IAC 20-56, or both, emit 10 tons per year of a single HAP or 25 tons or more per year of a combination of regulated HAPs. The HAP that is being regulated under 326 IAC 20-48 and 326 IAC 20-56 is primarily styrene, which is also a VOC. Therefore, existing facilities that emit at least 10 tons per year of a VOC are subject to regulation under 326 IAC 20-48 or 326 IAC 20-56. Additionally, 326 IAC 8-1-6, which includes the exemption for new sources subject to 326 IAC 20-48 or 326 IAC 20-56, is federally approved as part of the ozone state implementation plan.
- If it is a federal requirement, is it different from federal law? Not applicable.
- If it is different, describe the differences. Not applicable.

Alternative 2. Do not amend the rule.

- Is this alternative an incorporation of federal standards, either by reference or full text incorporation? No.
- Is this alternative imposed by federal law or is there a comparable federal law? No.
- If it is a federal requirement, is it different from federal law? Not applicable.
- If it is different, describe the differences. Not applicable.

Applicable Federal Law

This rulemaking will allow existing sources subject to <u>326 IAC 20-48</u>, which incorporates by reference 40 CFR Part 63, Subpart VVVV (Boat Manufacturing) or <u>326 IAC 20-56</u>, which incorporates by reference 40 CFR

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Part 63, Subpart WWWW (Reinforced Plastics Composites Production), or both, to request compliance with the applicable rule in lieu of complying with existing BACT determinations for VOC. The HAP regulated in 40 CFR Part 63, Subpart VVVV and 40 CFR Part 63, Subpart WWWW is styrene. Styrene is also classified as a VOC.

Potential Fiscal Impact

Potential Fiscal Impact of Alternative 1. No fiscal impact. Existing sources must already comply with <u>326 IAC 20-48</u> or <u>326 IAC 20-56</u> requirements. The cost associated with complying with either <u>326 IAC 20-48</u> or <u>326 IAC 20-48</u> or <u>326 IAC 20-56</u> is a result of the federal rule, not this rulemaking.

Potential Fiscal Impact of Alternative 2. No fiscal impact. For sources built prior to 1980 that were never subject to 326 IAC 8-1-6 but that are currently subject to 326 IAC 20-48 or 326 IAC 20-56, any modifications or changes to their operations will either keep them below the applicability threshold of 326 IAC 8-1-6 but subject to 326 IAC 20-48 or 326 IAC 20-56 or above the applicability threshold of 326 IAC 8-1-6 and excluded from determining BACT provided they comply with 326 IAC 20-48 or 326 IAC 20-56. The cost associated with complying with 326 IAC 20-48 or 326 IAC 20-56 is a result of the federal rule, not this rulemaking.

Small Business Assistance Information

IDEM established a compliance and technical assistance (CTAP) program under <u>IC 13-28-3</u>. The program provides assistance to small businesses and information regarding compliance with environmental regulations. In accordance with <u>IC 13-28-3</u> and <u>IC 13-28-5</u>, there is a small business assistance program ombudsman to provide a point of contact for small businesses affected by environmental regulations. Information on the CTAP program, the monthly CTAP newsletter, and other resources available can be found at:

www.in.gov/idem/ctap

Small businesses affected by this rulemaking may contact the Small Business Regulatory Coordinator:

Alison Surface

IDEM Compliance and Technical Assistance Program - OPPTA

MC 60-04 - IGCS W041

100 North Senate Avenue

Indianapolis, IN 46204-2251

(317) 232-8172 or (800) 988-7901

ctap@idem.in.gov

The Small Business Assistance Program Ombudsman is:

Brad Baughn

IDEM Small Business Assistance Program Ombudsman

MC 50-01 - IGCN 1307

100 North Senate Avenue

Indianapolis, IN 46204-2251

(317) 234-3386 or (800) 451-6027

bbaughn@idem.in.gov

Public Participation and Workgroup Information

At this time, no workgroup is planned for the rulemaking. If you feel that a workgroup or other informal discussion on the rule is appropriate, please contact Patricia Troth, Rules Development Branch, Office of Legal Counsel at (317) 233-5681 or (800) 451-6027 (in Indiana).

STATUTORY AND REGULATORY REQUIREMENTS

IC 13-14-8-4 requires the board to consider the following factors in promulgating rules:

- (1) All existing physical conditions and the character of the area affected.
- (2) Past, present, and probable future uses of the area, including the character of the uses of surrounding areas.
- (3) Zoning classifications.
- (4) The nature of the existing air quality or existing water quality, as the case may be.
- (5) Technical feasibility, including the quality conditions that could reasonably be achieved through coordinated control of all factors affecting the quality.
- (6) Economic reasonableness of measuring or reducing any particular type of pollution.
- (7) The right of all persons to an environment sufficiently uncontaminated as not to be injurious to human, plant, animal, or aquatic life or to the reasonable enjoyment of life and property.

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REQUEST FOR PUBLIC COMMENTS

At this time, IDEM solicits the following:

- (1) The submission of alternative ways to achieve the purpose of the rule.
- (2) The submission of suggestions for the development of draft rule language.

Mailed comments should be addressed to:

LSA Document #09-489 (Amendments to 326 IAC 8-1-6#2))

Patricia Troth Mail Code 61-49

Indiana Register

Rules Development Branch
Office of Legal Counsel
Indiana Department of Environmental Management
100 North Senate Avenue
Indianapolis, Indiana 46204-2251

Hand delivered comments will be accepted by the IDEM receptionist on duty at the thirteenth floor reception desk, Office of Legal Counsel, Indiana Government Center North, 100 North Senate Avenue, Indianapolis, Indiana.

Comments may be submitted by facsimile at the IDEM fax number: (317) 233-5517, Monday through Friday, between 8:15 a.m. and 4:45 p.m. Please confirm the timely receipt of faxed comments by calling Betsy Rouse at (317) 233-8903.

COMMENT PERIOD DEADLINE

Comments must be postmarked, faxed, or hand delivered by August 14, 2009.

Additional information regarding this action may be obtained from Patricia Troth, Rules Development Branch, Office of Legal Counsel, (317) 233-5681 or (800) 451-6027 (in Indiana).

Nancy King, Chief Rules Development Branch Office of Legal Counsel

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